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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/789,133	02/26/2004	John M. Bader	056092-00001	6758
31013	7590	11/13/2007	EXAMINER	
KRAMER LEVIN NAFTALIS & FRANKEL LLP INTELLECTUAL PROPERTY DEPARTMENT 1177 AVENUE OF THE AMERICAS NEW YORK, NY 10036			WORJLOH, JALATEE	
		ART UNIT	PAPER NUMBER	
		3621		
		NOTIFICATION DATE	DELIVERY MODE	
		11/13/2007	ELECTRONIC	

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

Notice of the Office communication was sent electronically on above-indicated "Notification Date" to the following e-mail address(es):

[klpatent@kramerlevin.com](mailto:klpatent@kramerlevin.com)

<b>Office Action Summary</b>	Application No.	Applicant(s)
	10/789,133	BADER ET AL.
	Examiner	Art Unit
	Jalatee Worjoh	3621

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) Responsive to communication(s) filed on 23 July 2007.
- 2a) This action is FINAL.                    2b) This action is non-final.
- 3) Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) Claim(s) 1-3,6,7 and 9-20 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) Claim(s) \_\_\_\_\_ is/are allowed.
- 6) Claim(s) 1-3, 6, 7, 9-20 is/are rejected.
- 7) Claim(s) \_\_\_\_\_ is/are objected to.
- 8) Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) The specification is objected to by the Examiner.
- 10) The drawing(s) filed on \_\_\_\_\_ is/are: a) accepted or b) objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
  - a) All    b) Some \* c) None of:
    1. Certified copies of the priority documents have been received.
    2. Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
    3. Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)	4) <input type="checkbox"/> Interview Summary (PTO-413)
2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)	Paper No(s)/Mail Date. _____
3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)	5) <input type="checkbox"/> Notice of Informal Patent Application
Paper No(s)/Mail Date. _____	6) <input type="checkbox"/> Other: _____

## **DETAILED ACTION**

### ***Continued Examination Under 37 CFR 1.114***

1. A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on July 23, 2007 has been entered.

2. Claims 1-3, 6, 7, 9-20 are pending.

### ***Claim Rejections - 35 USC § 112***

3. The following is a quotation of the first paragraph of 35 U.S.C. 112:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

4. Claims 1 and 9 are rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the written description requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to reasonably convey to one skilled in the relevant art that the inventor(s), at the time the application was filed, had possession of the claimed invention.

Claim 1 recites the limitations "offering, by the responsible party, to pay each of a statutorily sanctioned plurality of unsecured creditors having claims against the debtor" and "wherein if any of said unsecured creditors accepts the offer, paying the said predetermined

Art Unit: 3621

payments amount to said unsecured creditor within a predetermined time period following said acceptance", but these features are not supported by the specification. If Applicants disagrees, please indicate exactly where in the specification these features are taught.

As per claim 9, the specification does not provide support for this feature (i.e. ...payment plan later approved by the court).

5. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

6. Claim 6 is rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

7. Claim 6 recites the limitation "the insuring" in 3. There is insufficient antecedent basis for this limitation in the claim.

#### *Claim Objections*

8. Claim 9 is objected to under 37 CFR 1.75(c), as being of improper dependent form for failing to further limit the subject matter of a previous claim. Applicant is required to cancel the claim(s), or amend the claim(s) to place the claim(s) in proper dependent form, or rewrite the claim(s) in independent form. That is, claim 9 depends on claim 4, which has been canceled.

#### *Claim Rejections - 35 USC § 103*

9. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

10. Claims 1-3, 5-7, 9, 10 and 16 are rejected under 35 U.S.C. 103(a) as being unpatentable over "Arbitration and insolvency Proceedings: Claims of Ordinary Bankruptcy Creditors" to Lazic in view of "May I have my balance please? Allocation of payments in bankruptcy cases to Wyman.

Referring to claim 1, Lazic teaches establishing a financial arrangement between a responsible party and a debtor in the insolvency proceedings, the financial arrangement including terms for paying claims against the debtor (see pg. 2, 2<sup>nd</sup> paragraph – the debtor and another party has a contractual relationship). Lazic does not expressly disclose offering, by the responsible party, to pay each of a statutorily sanctioned plurality of unsecured creditors having claims against the debtor, a predetermined payment amount in full satisfaction of their respective claims against the debtor, wherein if any of said unsecured creditors accepts the offer, paying said predetermined payment amount to said unsecured creditor within a predetermined time period following said acceptance and wherein if any of the said unsecured creditors do not accept the offer, paying those creditors an amount later approved by a court at the end of final distribution proceedings. Wyman discloses offering to pay each of a statutorily sanctioned plurality of unsecured creditors having claims against the debtor, a predetermined payment amount in full satisfaction of their respective claims against the debtor, wherein if any of said unsecured creditors accepts the offer, paying said predetermined payment amount to said unsecured creditor within a predetermined time period following said acceptance and wherein if any of the said unsecured creditors do not accept the offer, paying those creditors an amount later

Art Unit: 3621

approved by a court at the end of final distribution proceedings (see pages 3-5 section IV-“Treatment of postpetition payments” – this section describes how a proposed plan is presented to a creditor; the creditor rejects the proposal and the courts makes the final decision regarding what should be paid to the creditors. Also, see page 1 – “Introduction”, which teaches an unsecured creditor receiving full payments on an unsecured debt and the courts allocating payment to unsecured creditors). At the time the invention was made, it would have been obvious to a person of ordinary skill in the art to modify the method disclosed by Lazic to include the steps of offering, by the responsible party, to pay each of a statutorily sanctioned plurality of unsecured creditors having claims against the debtor, a predetermined payment amount in full satisfaction of their respective claims against the debtor, wherein if any of said unsecured creditors accept the offer, paying said predetermined payment amount to said unsecured creditor within a predetermined time period following said acceptance and wherein if any of the said unsecured creditors do not accept the offer, paying those creditors an amount later approved by a court at the end of final distribution proceedings. One of ordinary skill in the art would have been motivated to do this because these steps are conventional in insolvency proceedings.

Referring to claim 2, Lazic in combination with Wyman teach the step wherein the payment of the predetermined payment amount is completed within a predetermined time period (see claim 1 above).

Referring to claim 3, Lazic in combination with Wyman teach the predetermined time period. Lazic does not expressly disclose the step wherein the predetermined time period is from 5-30 days. Wyman discloses the step wherein the predetermined time period is from 5-30 days

Art Unit: 3621

(see section III – “Adequate protection” and page 13 – end note “63” – unsecured creditors was entitled to receive monthly payments).

Referring to claim 5, Lazic in combination with Wyman teach the method wherein said court includes one of a state bankruptcy court and a federal bankruptcy court (see Wyman – “Introduction”).

Referring to claim 9, Lazic in combination with Wyman teach the step wherein the predetermined payment amount offered by the responsible party differs from an amount paid for the same claim in the payment plan later approved by the court (see claim 1 above).

Referring to claim 10, Lazic discloses the insolvency proceeding includes a bankruptcy proceeding (see claim 1 above).

Claims 16, 19 and 20 teach a system with means for performing the steps of method claims 1, 10 and 3 above; therefore, this claim is rejected on the same rationale as claims 1, 10 and 3 respectively.

11. Claims 6, 7, 13-15, 17 and 18 are rejected under 35 U.S.C. 103(a) as being unpatentable over Lazic and Wyman as applied to claims 1 and 16 above, and further in view of U.S. Publication No. 2001/0037274 to Monticciolo.

Referring to claims 6 and 7, Lazic in combination with Wyman discloses the method of claim 1. However, Lazic fails to teach providing, after paying all claims against the debtor, any remaining proceeds of all assets of the debtor involved in the insolvency proceedings to the insuring or other financially responsible party and the responsible party is a financial institution.

Monticciolo discloses providing, after paying all claims against debtor, any remaining proceeds of all assets of the debtor involved in the insolvency proceedings to the insuring or other financially responsible party and the responsible party includes a financial institution (see paragraph [0027]). At the time the invention was made, it would have been obvious to a person of ordinary skill in the art to modify the method disclose by Lazic to include the step of providing, after paying all claims against the debtor, any remaining proceeds of all assets of the debtor involved in the insolvency proceedings to the insuring or other financially responsible party. One of ordinary skill in the art would have been motivated to do this because it provides a cost effective process for the financially responsible party.

Referring to claims 13-15, Lazic in combination with Wyman discloses the method of claim 1. Lazic does not expressly disclose the financial arrangement includes an insurance policy; the responsible party includes an insurer, wherein the insurer includes one of an insurance company or a reinsurance company. Monticciolo discloses a financial arrangement includes an insurance policy; the responsible party includes an insurer, wherein the insurer includes one of an insurance company or a reinsurance company (see paragraph [0027]). At the time the invention was made, it would have been obvious to a person of ordinary skill in the art to modify the method disclose by Lazic to include the steps wherein the financial arrangement includes an insurance policy; the responsible party includes an insurer, wherein the insurer includes one of an insurance company or a reinsurance company. One of ordinary skill in the art would have been motivated to do this because it provides a cost effective process for the financially responsible party.

Referring to claims 17 and 18, Lazic in combination with Wyman discloses the method of claim 16. Lazic does not expressly disclose the financial arrangement includes an insurance policy or an insurance company. Monticciolo discloses a financial arrangement includes an insurance policy and insurance company (see paragraph [0027]). At the time the invention was made, it would have been obvious to a person of ordinary skill in the art to system disclose by Lazic to include the financial arrangement includes an insurance policy or an insurance company. One of ordinary skill in the art would have been motivated to do this because it provides a cost effective process for the financially responsible party.

12. Claims 11 and 12 are rejected under 35 U.S.C. 103(a) as being unpatentable over Lazic and Wyman as applied to claim 1 above, and further in view of U.S. Patent No. 5704045 to King et al. (“King”).

Referring to claim 11, Lazic and Wyman discloses the method of claim 1. Lazic fails to teach establishing a distribution plan, identifying subject property of the debtor and wherein the responsible party’s financial arrangement includes paying claims against the debtor by the responsible party as function of an analysis of the subject property by the responsible party (see col. 8, lines 1-6; col. 14, lines 31-41; col. 5, lines 13-21; col. 7, lines 58-61; col. 10, lines 1-3; and col. 14, lines 41-67). At the time the invention was made, it would have been obvious to a person of ordinary skill in the art to modify the method disclose to Lazic to include the steps of establishing a distribution plan, identifying subject property of the debtor and wherein the responsible party’s financial arrangement includes paying claims against the debtor by the responsible party as function of an analysis of the subject property by the responsible party. One

of ordinary skill in the art would have been motivated to do this because it provides a cost effective process for the financially responsible party.

Referring to claim 12, Lazic and Wyman discloses the method of claim 1. Lazic fails to teach wherein the responsible party's financial arrangement obligates the responsible party to pay all claims against the debtor. Kin discloses wherein a responsible party's financial arrangement obligates the responsible party to pay all claims against the debtor (see col. 3, lines 32-44; col. 7, line 8- col. 8, line 67 and col. 10, lines 1-3). At the time the invention was made, it would have been obvious to a person of ordinary skill in the art to modify the method disclose by Lazic to include the feature wherein the responsible party's financial arrangement obligates the responsible party to pay all claims against the debtor. . One of ordinary skill in the art would have been motivated to do this because it provides a cost effective process for the financially responsible party.

### ***Conclusion***

13. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

- “International Financial Law Review Insolvency: A Legal Guide Supplement” to Miller et al.
- “Security, Insolvency and Risk: Who Pays the Price” to Finch.
- U.S. Publication No. 2005/0038740 to Ogilvie discloses incremental saving agreements.
- U.S. Publication No. 2002/0198835 to Watson discloses integrated bill consolidation, payment aggregation and settlement system.

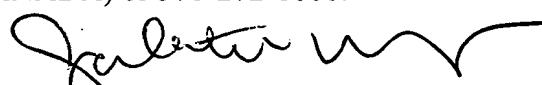
Art Unit: 3621

- U.S. Publication No. 2004/0254823 to Tracey et al. discloses a workflow management system that allows a debt collector to associate debtors with different categories.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Jalatee Worjloh whose telephone number is 571-272-6714. The examiner can normally be reached on Monday - Friday 9:30 - 6:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Andrew Fischer can be reached on 571-272-6779. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300 for regular communications and 571-273-6714 for Non-Official /Draft.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.



Jalatee Worjloh  
Primary Examiner  
Art Unit 3621

October 24, 2007